



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

WALKER, W. H. *Corporation finance*. (New York: Alexander Hamilton Inst. 1917. Pp. xv, 346.)

The administration of estates and trusts. (New York: United States Mortgage & Trust Co. 1917. Pp. 46.)

America's changing investment market. Edited by E. M. PATTERSON. (Philadelphia: Am. Acad. Pol. & Soc. Sci. 1916. Pp. ix, 342.)

Burnham's manual of Chicago securities, 1917. An investor's handbook of useful information concerning the principal securities bought and sold in Chicago and the Middle West. (Chicago: J. Burnham & Co. 1917. Pp. 442.)

Michigan manual of corporation statistics, 1916. (Detroit: Michigan Manufacturer and Financial Record. Pp. 255.)

Issued under the direction of the Detroit Stock Exchange to provide a standard handbook of the securities which have been validated by the Michigan Securities Commission. It includes the text of the act of 1915 requiring the supervision of all issues of stocks and bonds of corporations offered for sale in Michigan; data relative to securities authorized by the Michigan Railroad Commission; and a table giving the capitalization, surplus and undivided profits of all Michigan banks.

Practical coöperation in the real estate and general brokerage business; how to become an efficient real estate agent and general broker. (Los Angeles, Cal.: Macdonald Coöperative Realty Co. 1917. \$25.)

Railroad bond issues officially regarded as legal investments in the state of New York, as of January first, 1917. Second edition. (New York: Wood, Struthers & Co. 1917. Pp. viii, 201.)

Scientific management; a list of references in the library. (New York: New York Public Library. 1917. Pp. 81. 25c.)

Thrift by household accounting and weekly cash record forms. Published for the Ellen H. Richards memorial fund by the committee on household budgets. (Baltimore, Md.: American Home Economics Assoc. 1916. Pp. 34. 15c.)

Capital and Capitalistic Organization

The Morals of Monopoly and Competition. By HOMER BLOSSER REED. (Menasha, Wis.: George Banta Publishing Company. 1916. Pp. 141. \$1.25.)

The thesis of the author—a professor of philosophy—is that our moral concepts, so far as these are embodied in judicial opinion, are gradually modified by changes in the economic environment; and he illustrates this proposition by describing the development of the moral law in the period of transition from a competitive régime in industry to a monopolistic one.

The competitive régime in industry represented a reaction against the monopolistic régime which had preceded it. The public had become weary of the monopolies granted by the Crown, and therefore welcomed the new order. The competitive system, moreover, had many advantages. It tended to develop efficiency in production; for the inefficient who could not produce with a profit at a competitive price were perforce eliminated. It also offered full range to individual initiative and enterprise. It is true that the competition was often keen, and resulted in special favors to certain customers or in undue vaunting of one's wares. But so long as the competitors had approximately equal resources, this worked no special injury. As a result, competition came to be regarded as the "life of trade." And gradually the current notions as to what was moral under a state of competition became definitely crystallized in the common law.

But with the development of larger units in production and of combination the situation changed. It was then seen that a combination possessed of ample capital might, by means of railroad rebates or local price cutting, destroy a smaller competitor, perhaps of equal or greater efficiency in production. We then begin to hear of "unfair competition" and "predatory competition." The current use of these phrases indicates that a moral consciousness was being aroused. The combination, though it had merely carried out the "good old-fashioned laws of competition," was commonly dubbed an Octopus. Which merely means that the current ideas as to what was moral had changed to meet the new economic conditions. And the courts, though they will eventually give full recognition to the new state of affairs, have done so but haltingly. It is this failure of our ethical concepts as embodied in the law to develop as rapidly as economic conditions that accounts, according to the author, for the existence of a trust problem.

The author also predicts that the large industrial combinations (he does not make it clear whether he refers solely to monopolies or to all combinations) will in the course of time come to be recognized as public service corporations, and will be subjected to regulation in much the same way that the railroads now are. But he does not make his point. Though he recognizes fully the potency of unfair methods of competition (he gives quite a number of pages to illustrations of unfair competition), he presents no argument to show that the prevention of unfair competition by law and by the elevation of morals will not lead gradually to the restor-

ation of competitive conditions where these have been destroyed by unfair tactics. While the author may be right in his opinion as to the permanence of industrial monopoly—he is not alone, of course, in his belief—this is a matter upon which it is unwise to adopt a cock-sure attitude, particularly in view of the many opposing considerations. It is generally the case that the more deeply one delves into a controverted question, the more unwilling he becomes to enter into the hazardous realm of prediction.

ELIOT JONES.

Leland Stanford Junior University.

Some Legal Phases of Corporate Financing, Reorganization and Regulation. By FRANCIS LYNDE STETSON, JAMES BYRNE, PAUL D. CRAVATH, GEORGE W. WICKERSHAM, GILBERT H. MONTAGUE, GEORGE S. COLEMAN, and WILLIAM D. GUTHRIE. (New York: The Macmillan Company. 1917. Pp. ix, 389. \$2.75.)

The book is a series of essays by legal authorities, obviously written for younger members of the bar. As such it deals with particular problems in the peculiarly narrow and intensive manner of legal procedure. This is its great merit, but it is also the reason why the broader economic aspects of the problems treated are either totally disregarded or else disposed of with only a few phrases. Yet within their field of legal literature most of these essays are remarkably comprehensive; in fact, several of them, notably Cravath's on reorganizations, are certainly unrivaled in the sphere of legal finance.

The chapters may be conveniently divided into two sections. The first covers certain topics of corporation finance and the second certain questions arising out of the public regulation of corporations. They are of unequal merit, the essays of the earlier part being on the whole superior and more carefully prepared.

The book opens with Stetson's Preparation of Corporate Bonds, Mortgages, Collateral Trust and Debenture Indentures. Unquestionably so much comprehensive information on this topic cannot be found anywhere else. It deals with the structure of mortgages and similar instruments of essentially large corporations. It has the somewhat uncritical point of view of one who would justify, in all respects, the present forms. In that sense it is unsympathetic with that movement which would simplify and shorten corporate instruments and rely more on an established body of judicial and